

remarks on LB 22 and this bill on General File that I have some philosophical problems as well but they lie in the area of depending on excise taxes as a general revenue source because the simple fact is, most studies you look at indicate that excise taxes are the most regressive of taxes, even more so than a narrow sales tax base because they typically target people who use products that are typically used by the lower socio-economic strata of society to a greater extent, at least as far as their income goes, than richer people and targeting those peoples by the very nature of the tax regressive. The fact is though that I can justify voting for a reliance on the cigarette tax and an increase even that is directed to the General Fund as long as some of that money is directed, number one, towards cancer research and, number two, structured in the way that LB 595 is. This is a discussion that occurred in the Revenue Committee, sometimes in those terms, sometimes in others, but that resulted ultimately in the two bills being put forward, the five-cent increase in LB 22 directed to the General Fund and the two-cent increase in LB 595 specifically targeted to cancer research and divided between essentially the University of Nebraska and Creighton. I think that's a structure that everyone, or not everyone, but the majority of the committee at least could live with, that I could live with and I think the simple fact of the matter is that if we adopt this amendment, it upsets that balance. That balance is gone as far as I am concerned. At that point I would become extremely reluctant to support an increase in the cigarette tax at all because, frankly, probably my preference, if I were doing it all on my own, I think we ought to pass LB 595 alone as it is structured now. However, because a balance was struck and I'm willing to go along with that balance as long as it is not disturbed and I believe this amendment would disturb that balance. I think for that and the reasons that have been elucidated by the other speakers about the need to spread the research dollar out, the need to make sure that the specific areas that Creighton is strong in, that the university is not so strong in perhaps and the unfairnesses that may be built into the peer review process, for all those reasons I would urge you to reject the Schimek amendment at this point.

PRESIDENT MOUL: Thank you, Senator Will. Senator Landis.

SENATOR LANDIS: Question.

PRESIDENT MOUL: Are there sufficient seconds? There are.